(c) and (d) Provisional assessment is resorted to only if imported goods are to be tested or there is insufficient information on the goods, for the purpose of assessment of duty. However, the goods are cleared under provisional assessment only after obtaining suitable security for the deficient duty. Such assessments are finalized on receipt of test report or on submission of complete information.

Core Banking System for Public Sector Banks

3215. SHRI SANJAY RAUT: Will the Minister of FINANCE be pleased to state:

(a) what are the customer-centric initiatives taken by the Public Sector banks to compete effectively with private sector and foreign banks in terms of the existing product portfolio on offer and introduction of new products and services to match those of its competitors;

(b) whether Government have issued any directions for adopting Core Banking/Any Branch Banking System to all Nationalized Public Sector Banks in the country; and

(c) if so, the details thereof and by when, it will be operational in the country?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) to (c) Reserve Bank of India (RBI) have reported that Public Sector Banks have put in place several measures which would lead to better facilities to customers such as computerisation of branches, installation of ATMs, single window concept, time norms for important services, any branch banking, delivery channels like Electronic Clearing Service, Electronic Fund Transfer, Telebanking, Internet Banking Services etc.

RBI has issued instructions to all scheduled commercial banks on implementation of core banking solutions and has advised that the pace of internal computerization of branches of banks and their inter-connectivity, providing for core banking solutions or centralized database access/clustered solutions needs to be expedited.

So far, seven Public Sector Banks have reported that they have fully implemented the Core Banking Solution.

Non-utilization of foreign aid

†3216. SHRI MANGANI LAL MANDAL: Will the Minister of FINANCE be pleased to state:

(a) whether the Comptroller and Auditor General of India has in its report pointed out that most of the amount received as external and foreign aid for power, road, urban development, water resources, health, agriculture and social sector could not be utilized till 2004-2005;

(b) whether it is a fact that Government pay about Rs. 165 crore as penal interest for not spending the said loan amount; and

(c) if so, its justification and the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) A total amount of Rs. 68,423.64 crores committed as foreign loan assistance on Government account, was not drawn at the end of the year 2004-05.

(b) No penal interest was paid for not spending the loan amount. However, an amount of Rs. 165.11 crore was paid as commitment charges during 2004-05.

(c) Utilization of the sanctioned foreign assistance for any project is a continuous process spread over its implementation period. As a result, there would be some unutilized amount at any point of time; these amounts will be utilized as the project implementation progresses. Moreover, the project implementation authorities like the Central Line Ministries/ Departments, State Governments work under diverse constraints. Some of the steps taken by the Government to improve aid utilization are ensuring adequate provisioning for externally aided projects in the budgets of the State and Central Government, streamlining of procurement procedures, disintermediation of the flow of external aid to Central Public Sector Undertakings, strengthening of Project Monitoring Units in some

† Original notice of the question was received in Hindi.